(c) what are the names of the formulations and bulk drugs on which benefits of duty reduction was passed on the consumers ;

(d) what are the bulk drugs and formulations where the benefit of reduction has not been passed on to the consumers and has been allowed to be appropriated by the producers ; and

(e) what are the names of bulk drugs whose production has been shifted to basic stages after reduction of customs duty ?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO) : (a) and (b) The details asked for regarding reduction in custom duty during the year 1993-94 in respect of bulk drugs, formulations and intermediates are given in the different notifications issued by the Ministry of Finance from time to time, the copies of which are available in the Parliament Library.

(c) to (e) In the case of price controlled drugs and formulations the impact of reduction in custom duty is taken into account while fixing/revising prices of the bulk drugs/formulations. Regarding non-scheduled drugs, various Associations of industry are asked to make corresponding reduction in the prices. Customs duty concession on intermediates & bulk drugs is to encourage the manufacture of bulk drugs from more basic stages as also to ensure the availability of medicines in abundent quantity at reasonable prices to the consumers.

Review of Drug Policy

12. SHRI H. HANUMANTHAPPA :
DR. NARREDDY THULASI REDDY :

Will the PRIME MINISTER be pleased to refer to the answer to Unstarred Question 4166 given in Rajya Sabha on 26th August, 1993 and state ;

(a) whether it is a fact that review of the Drug Policy also involves review of post-manufacturing expenses including advertisement ;

(b) whether Government have carried out any study of post-manufacturing expenses as one of the demands is for increase in mark up ;

(c) the reasons for which the study of promotional expenses and advertisement expenses has not been commissioned and whether Government interest to do so revising the policy ; and

(d) the reasons for which Government are considering allowing blanket increase in prices ?

THE MINISTERS OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) to (d) The points being considered in the review of Drug Policy 1986 have already been explained in the Background note laid on the Table of the House on 12-8-92 and which was taken up for discussion in the House in August, 1993. Final decisions in this regard are still to be taken. The apprehensions expressed by the members that should not be any spurt in the prices of medicines are being given due consideration in the finalisation of the policy.

Effect on Drug Prices due to Concept of Formulation Prices

13. SHRI H. HANUMANTHAPPA :
DR. NARREDDY THULASI REDDY :

Will the PRIME MINISTER be pleased to state to refer to the answer to Unstarred Question 4162 given in Rajya Sabha on the 26th August, 1993 and state :

(a) whether it is a fact that prices of drugs have steeply risen during the last three years ;

(b) what were the Prices in 1987 and what are the Prices now based on wholesale Price index ;

(c) whether it is a fact that ceiling prices concept of formulation prices is given rise to undue price increases due to its normative nature; and

(d) if so, what steps have been taken to do away with this concept and fix the formulation prices on the basis of actual costs ?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) and (b) The prices of drugs have also increased in the last three years. Based on the wholesale price index 1981-82 = 100, the price of drugs and medicines on 13-11-93 was 186.5 (provisional) as against 128.6 in the last week of December, 1987. Revision of the exchange value of Rupee to foreign currencies in 1991 and the full convertibility of Rupee on trade account have resulted rather sharp increase in the prices of medicines, particularly those which have imported content.

(c) No, Sir.

(d) Does not arise.

Recovery of dues from Drug Companies

14. SHRI H. HANUMANTHAPPA :
DR. NARREDDY THULASI REDDY :

Will the PRIME MINISTER be pleased to refer to the answer to Starred Question 429 given in the Rajya Sabha on 26th August, 1993 and state :

(a) whether it is a fact that no serious efforts have been made to recover the amounts due from drug companies during the last three years;

(b) the steps taken to recover the dues;

(c) what are the reasons for delay in recovery of the amount due when Supreme Court Judgement and legal opinion is also available;

(d) what is the purpose behind constituting a group and at what stage the matter stands;

(e) whether it is a fact that recovery has become almost a decade old and the department is not taking it seriously; and

(f) what is the latest position and by when total amount due would be recovered ?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) No, Sir.

(b) to (f) The liabilities in 68 cases amounting to Rs. 254.58 crores have been assessed. Amount of Rs. 18.27 crores has been recovered. Some companies have challenged the liabilities in Courts and the amount involved in these matters is about Rs. 174 crores.

Production and Import of Bulk Drugs

15. SHRI H. HANUMANTHAPPA : Will the PRIME MINISTER be pleased to state :

(a) whether it is a fact that import of bulk drugs and intermediates during 1992-93 increased manifold as compared to earlier years and if so, what are the details in this regard;

(b) whether it is a fact that production of bulk drugs has declined during the past three years and that maximum decline in production at constant prices took place in 1992-93;

(c) what are the names of individual monitored bulk drugs for which the production declined during 1992-93 as compared to the earlier years; and

(d) what steps have been taken to reduce imports and arrest decline in domestic production ?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) Yes, Sir. The details of import of